

**LOUISIANA CAPITAL AREA  
ECONOMIC DEVELOPMENT ALLIES, INC.**

**COMPILED FINANCIAL REPORT**

**As of May 31, 2006 and  
For the Period June 15, 2005 to May 31, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/7/07

## TABLE OF CONTENTS

	<u>Page</u>
Independent Accountant's Report .....	1
Basic Financial Statements -	
Statement of Financial Position .....	2
Statement of Activities and Changes in Net Assets .....	3
Statement of Cash Flows .....	4
Notes to the Financial Statements -	
The Entity and Nature of Operations .....	5
Summary of Significant Accounting Policies - .....	5
Basis of Presentation .....	5
Basis of Accounting .....	5
Use of Estimates .....	5
Fund Accounting .....	5
Revenue Recognition .....	5
Income Tax Status .....	5
Cash and Cash Equivalents .....	6
Cash .....	6
Cooperative Endeavor Agreement .....	6
Per Diem Paid to Board Members .....	6

*George F. Delaune*

CERTIFIED PUBLIC ACCOUNTANT

(A Professional Corporation)

Practice Limited to Governmental Accounting, Auditing and Financial Reporting

Phone  
OFFICE (225) 937-9735  
FAX (225) 638-3669  
E-mail [gfdcpa@yahoo.com](mailto:gfdcpa@yahoo.com)

Office  
7663 ANCHOR DRIVE  
VENTRESS, LA 70783-4120

Member  
AMERICAN INSTITUTE OF CPAs  
LOUISIANA SOCIETY OF CPAs  
GOVERNMENT FINANCE  
OFFICERS ASSOCIATION

## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of  
Louisiana Capital Area Economic Development Allies, Inc.

I have compiled the accompanying statement of financial position of LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC., (a Nonprofit Organization), as of May 31, 2006, and the related statement of activities and cash flows for the period June 15, 2005 to May 31, 2006, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*George F. Delaune, CPA*

December 13, 2006

LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.  
STATEMENT OF FINANCIAL POSITION  
MAY 31, 2006

<b>ASSETS</b>	
Cash	\$ 14,054
Reimbursement due from LED	11,501
Pending expenditure claims	<u>7,644</u>
<b>TOTAL ASSETS</b>	<u>33,199</u>
 <b>LIABILITIES</b>	
Accounts payable	<u>0</u>
<b>TOTAL LIABILITIES</b>	<u>0</u>
 <b>NET ASSETS</b>	
Unrestricted - undesignated	<u>33,199</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 33,199</u>

See accountant's compilation report.

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**PERIOD JUNE 15, 2005 TO MAY 31, 2006**

**REVENUES**

Grants -

Louisiana Economic Development

\$ 91,287

Miscellaneous donations

3,087

Total Revenues

94,374

**EXPENSES**

Recruitment Activities -

Marketing missions

27,021

Meetings with prospects/consultants

1,000

Regional Marketing -

Marketing brochures/CDs

25,962

Operating Expenses -

Office supplies

7,192

Total Expenses

61,175

**CHANGE IN NET ASSETS**

33,199

Net Assets at Beginning of Year

0

**NET ASSETS AT END OF YEAR**

\$ 33,199

See accountant's compilation report.

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**PERIOD JUNE 15, 2005 TO MAY 31, 2006**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 33,199
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Increase in reimbursements due from LED	(11,501)
Increase in pending expenditure claims	(7,644)
Net Cash Provided by Operating Activities	<u>14,054</u>
Net Increase in Cash	14,054
Cash at Beginning of Period	<u>0</u>
CASH AT END OF PERIOD	<u><u>\$ 14,054</u></u>

See accountant's compilation report.

# LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 - THE ENTITY AND NATURE OF OPERATIONS

On December 22, 2004, the LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC. (LaCAEDA) was organized as a non-profit corporation under the Louisiana Nonprofit Corporation Law, specifically Louisiana Revised Statutes Title 12:201-12:269, et seq, as amended.

LaCAEDA was formed to develop programs and activities to support a regional economic development effort. To complete this task, LaCAEDA entered into a Cooperative Endeavor Agreement with the Louisiana Department of Economic Development for economic development in the Capital Area Region. The Capital Area Region consists of nine (9) parishes of Ascension, East Baton Rouge, West Baton Rouge, Iberville, Livingston, East Feliciana, West Feliciana, St. Helena, and Pointe Coupee.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, LaCAEDA is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At May 31, 2006, the LaCAEDA had no temporarily or permanently restricted net assets.

#### Basis of Accounting

The financial statements of the LaCAEDA have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Fund Accounting

The accounts of the LaCAEDA are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. In accordance with SFAS No. 117, fund balances are classified on the Statement of Financial Position as unrestricted, temporarily restricted, or permanently restricted net assets based on the absence or existence and type of donor-imposed restrictions. LaCAEDA maintains only one fund to report its activities.

#### Revenue Recognition

Revenue is recognized when the expense is incurred and eligible for reimbursement from Louisiana Economic Development. All other revenues are recognized when received.

#### Income Tax Status

The LaCAEDA is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and Louisiana Revenue and Taxation Code.

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.  
NOTES TO THE FINANCIAL STATEMENTS**

**Cash and Cash Equivalents**

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

**NOTE 3 - CASH**

Regulations require that deposits of the LaCAEDA be insured by Federal depository insurance or collateralized by securities held in the name of the LaCAEDA by the trust department of a bank that does not hold the collateralized deposits. As of May 31, 2006, the status of deposited funds and collateralized balances are as follows:

Demand accounts	\$ 14,054
Federal deposit insurance coverage	14,054
Pledged securities	<u>0</u>
Unsecured	<u><u>\$ 0</u></u>

**NOTE 3 - COOPERATIVE ENDEAVOR AGREEMENT**

In accordance with an Act of the 2005 Regular Session of the Louisiana Legislature, a supplemental appropriation for the expenditure of State funds was awarded to LaCAEDA in the amount of \$167,000. The original contract was for the period June 15, 2005 to May 31, 2006. On May 19, 2006, the contract was extended to December 31, 2006.

**NOTE 4 - PER DIEM PAID TO BOARD MEMBERS**

The Board Members serve without pay.